The claims of the co-operative banks in Bihar were not in conformity with the norms prescribed under the scheme and special studies were conducted to find out the admissibility of the claims. Hence, the delay could not be avoided. The Scheme as well as settlement of all claims under it came to an end on 31st March, 1995.

(c) to (e) Does not arise in view of above.

Note of Rs. 1000 denomination

5408. SHRI NANA DESHMUKH: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Note of Rs. 1000 denomination will come out in circulation in the middle of this year;

(b) whether it is also a fact that the note of said denomination was taken out of circulation about two decades back;

(c) if so, what are the compulsions for reversing its earlier decision; and

(d) what steps are being taken to see that it is not counterfeited like Rs. 500 note?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) The 1000 rupee denomination note is likely to be put into circulation by the end of July, 2000.

(b) and (c) The note of Rs. 1000 denomination was demonetised in the year 1978, as it was then felt that this note facilitated illicit transfer of money for financing transactions which are harmful to the national economy. Considering the volume of notes in circulation at present, it is now considered necessary to re-introduce the Rs. 1000 banknote so as to enable the Government to bring about improvement in the note supply position in the country.

(d) The Rs. 1000 denomination note will have additional security features, such as anti-copier feature, Optically Variable Ink (OVI), i.e. colour shift feature, and a magnetic windowed security thread, for affectively checking the counterfeiting.

RBI's New Monetary and Credit Policy

5409. SHRI RAMDAS AGARWAL: Will the Minister of FINANCE be pleased to state:

(a) what are the salient features of RBI's new Monetary and Credit

Policy 2000-2001 as reported in the Hindustan Times dated the 28th April, 2000; and

(b) whether the credit policy has also addressed the issue of providing more operational flexibility and eliminating rigidities to banks as well as intended for liberalising export credit?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) The salient features of the Monetary and Credit Policy 2000-01 are as under:—

- Developments in macro-economic, monetary and price situations in 1999-2000 were highly positive and favourable.
- Credit Policy to support industrial growth with price stability.
- Sufficent liquidity to be made available for credit flow to support growth through reduction in CRR if necessary.
- Full-fledged Liquidity Adjustment Facility to be introduced in stages.
- Wide-ranging Reforms towards widening and deepening financial markets including money market and Government securities market.
- Final guidelines for Banks' entry into insurance business issued.
- Liberalised Export Credit refinance facility.
- Enhancement of limit for post-award clearance of export projects.
- Minimum daily requirement of CRR balances reduced to 65 percent from 85 per cent.
- Minimum maturity of Certificates of Deposit reduced to 15 days from 3 months.
- Easing of procedures for Financial Institutions to raise resources rationalisation of PLR norms and greater flexibility to banks in deciding interest rates on FCNR (B) deposits.
- Moving towards best practices in prudential regulation and supervision.
- Improvements in credit delivery mechanisms.

(b) The policy has liberalised the scheme of export credit refinance available to banks from the RBI. In the modified method of fixing the refinance limits, the outstanding export credit (including export bills rediscounted with institutions like EXIM bank and refinance obtained from National Bank for Agriculture and Rural Development / Export—Import Bank of India (NABARD/

EXIM Bank) will form the basis which will enable banks to use rediscounting of export bills without any reduction in refinance limits. Besides, in the past 18 months several measures have been taken by the RBI to ensure timely delivery of credit to exporters and removal of procedural hassles. These measures include provision of 'On line credit' to exporters, extension of Line of Credit for longer duration for exporters with good track record, peak / non-peak credit facilities to exporters, permission for interchangeability of pre-shipment and post-shipment credit and meeting the term loan requirements of exporters for expansion of capacity and modernisation of machinery and upgradation of technology. Improvements were also made in the procedure for handling of export documents and fast track clearance of export credit at specialised branches of banks. Moreover, new simplified guidelines were issued for sanction of credit facilities for software services project services and software products and packages.

Review of ongoing Economic Reforms in Rajasthan and Orissa

5410. SHRI RAMDAS AGARWAL: Will the Minister of FINANCE be pleased to state:

(a) whether Government have till date reviewed the performance of ongoing Economic Reforms Programme in Rajasthan and Orissa as compared to other States, in the country;

(b) if so, the outcome thereof, State-wise;

(c) the States lagging behind in implementing the reforms; and

(d) the steps taken till date for achieving the targets set in above mentioned States indicating whether any external assistance from World Bank proposed to be taken to Rajasthan and Orissa during the current fiscal year?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) to (d) While economic policies and programmes are under constant review, Government have not reviewed the performance of ongoing economic reforms programme in individual States of Rajasthan and Orissa. States are free to pursue economic reforms programmes depending on their specific requirements, within their constitutional jurisdictions. The question of Government taking steps to achieve any targets set by State Governments thus does not arise.